

# The Travel Corporation's CARBON METHODOLOGY 2022



## OUR APPROACH TO MEASURING CARBON

In recognition of the role that the tourism industry plays in the global climate crisis, The Travel Corporation (TTC) has a robust carbon measurement program in place to ensure our GHG inventory is complete and accurate. We are committed to measuring our emissions on an annual basis and reporting against our science-based targets, validated by the Science Based Target initiative:

### Net Zero Target

- ◆ Reach net zero GHG emissions across the value chain by 2050 from a 2019 baseline year

### Short Term Targets

- ◆ Reduce absolute scope 1 and 2 GHG emissions 46.2% by 2030 from a 2019 base year\*
- ◆ Reduce absolute scope 3 GHG emissions from purchased goods and services, business travel, and use of sold products 27.5% within the same timeframe

### Long Term Target

- ◆ Reduce absolute Scope 1, 2 and 3 GHG emissions 90% by 2050 from the 2019 base year\*

*\*The target boundary includes land-related emissions and removals from bioenergy feedstocks*

## MEASURING OUR SCOPE 1 + 2 FOOTPRINT

TTC has a significant direct carbon footprint from our owned assets (Scope 1 + 2 emissions). This represents what we call our “Business Emissions” and includes emissions from 20+ offices, 18 Red Carnation Hotels, 13 Uniworld ships, 6 accommodations/facilities and 500+ vehicles. In 2022 we received limited assurance on our 2019 Scope 1 + 2 carbon footprint from our auditors, Lucideon Inc. This allowed us to confidently set our

science-based targets against our audited 2019 footprint. Our Scope 1 + 2 footprint will be audited on an annual basis beginning in 2022.

### Scope 1 Emissions

**What's included:** Fuel and heating used at our owned facilities, fuel used by company owned vehicles and ships

**How it's measured:** TTC employees enter fuel and heat data via Diligent Reporting Software on a quarterly basis. Employees provide sufficient evidence (operations logs, invoices) to support their data entries, which is then subject to audit by TTC's Global Sustainability Manager and/or TTC's contracted auditor.

### Scope 2 Emissions

**What's included:** Purchased electricity at our owned facilities

**How it's measured:** We measure our Scope 2 emissions using a market-based approach to better reflect our electricity purchasing decisions. TTC employees enter electricity data via Diligent Reporting Software on a quarterly basis. Employees provide sufficient evidence (operations logs, invoices) to support their data entries, which is then subject to audit by TTC's Global Sustainability Manager and/or TTC's contracted auditor.

## MEASURING OUR SCOPE 3 FOOTPRINT

In 2022, TTC completed a full screening of its Scope 3 inventory as per the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We determined the following categories to be material and as a result, they are covered in our science-based targets: Category 1: Purchased Goods and Services, Category 6: Business Travel, and Category 11: Use of Sold Products and Services.





## OUR METHODOLOGY

### Category 1: Purchased Goods and Services

**What's included:** Water use from our hotels and ships, office supplies (ie. computer machinery, office supplies and paper) from our offices, laundry of linens and uniforms from Red Carnation Hotels and Uniworld, brochures produced across all TTC brands, goods procured by Red Carnation Hotels and Uniworld (tableware, utensils, linens, guest room amenities, food and beverages), TTC marketing materials produced across all TTC brands (ie. guest gifting and promotional materials).

### Category 6: Business Travel

**What's included:** All flights booked on behalf of TTC employees or by TTC employees for business purposes.

### Category 11: Use of Sold Products and Services

**What's included:** Trip emissions across all TTC brands and any flights booked by TTC on behalf of the traveller, to and/or from the destination. Our trip emissions includes transfer emissions, accommodation emissions and meal emissions from the moment a traveler joins our trip, to when they depart.

*Flights that are booked by the traveler to and/or from the destination are out of scope.*

### OUR CARBON CALCULATOR METHODOLOGY

In 2020, TTC worked with [Synergy Enterprises](#) to develop a custom “Trip Carbon Calculator” to measure the average carbon footprint of our trips. That same year we established an average carbon footprint per passenger per day by measuring 165 trips across all regions and brands. We recognize

that measuring trip emissions is an evolving process and a journey that many of our peers are on as well. To that end, we commit to collaborating with the industry and remaining transparent regarding our methodology, which is why we are making our methodology public.

In 2022, the Trip Carbon Calculator was updated to allow for greater granularity in the data collection and results gathered by the trip itinerary measurements. As a result, data collection in future reporting years will be able to show reductions in emission totals.

We will review and update the carbon footprint of our trips every two years using an updated Trip Carbon Calculator with the latest emission factors.

### OUR APPROACH

To ensure that TTC is meeting the highest carbon accounting standards and data and calculation accuracy, the Trip Carbon Calculator was developed by an independent third party, Synergy Enterprises. Our Trip Carbon Calculator was developed in alignment with the Greenhouse Gas Protocol, an internationally accepted emissions accounting and reporting standard. Once completed, the tool was reviewed by peers in the industry and external experts to ensure its reliability.

The most relevant and up to date emission factors at the time were selected from international reporting bodies. Emission factors are coefficients that allow us to convert activity data into greenhouse gas emissions. They may differ based on the country or region the activity is taking place



in. Where emission factors were not available, custom averages were developed. Sources include:

- ◆ DEFRA 2021 GHG Conversion Factors
- ◆ International Energy (IEA) Agency Emission Factors 2021
- ◆ Cornell Hotel Sustainability Benchmark (CHSB) Index 2021
- ◆ CO<sub>2</sub> Connect
- ◆ Greenhouse Gas Emissions and Energy Use Associated with Production of Individual Self-selected US Diets

UNDERSTANDING THE CARBON FOOTPRINT OF OUR TRIPS

The carbon footprint for each trip is based on average greenhouse gas (GHG) emissions per passenger per night. By the close of 2023, we aim to have 80% of our trips measured through our Trip Carbon Calculator.

SCOPE

Here’s what we considered in scope and our responsibility to include in our trip emissions:

Transfer Emissions:

Include emissions from all forms of transportation during a TTC trip. This includes transfers that are included as part of the trip and transfers to your optional experiences. Emissions from transfers are calculated by taking transfer modes, distances, fuel type, passenger numbers as well as number of vehicles used for selected trips.

Accommodation emissions:

Accommodation emissions are based on average energy consumption by room type from the Cornell University School of Hotel Administration. A regional energy factor is applied resulting in a unique average for each room type in each region.

Meal Emissions:

Emissions from meals have been calculated based on two main identifying factors – buffet vs. non buffet and vegetarian vs. non-vegetarian meals. Synergy Enterprises developed customized emission factors for each meal type that accounts for food production and food waste. Emissions are only calculated for meals included in the trip itinerary and do not include those purchased by the traveller.

Here’s what we considered out of scope and will not be included as part of our trip emissions:

- ◆ Traveller’s air travel to and from the destination (note: if TTC books the traveller’s air to and/or from the destination on their behalf, the emissions are captured in “Flights Sold” under Scope 3, Category 11. Any flights booked to and/or from the destination by the passenger are out of scope).
- ◆ All pre and post services not included in the base price of the trip
- ◆ Emissions produced by facilities or buildings we visit on our trips (ie. museums). These emissions are considered the responsibility of the facility as determined by internationally accepted principles for emissions accounting.
- ◆ Meals purchased by the traveller

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